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# Foreign Crops and MARKETS



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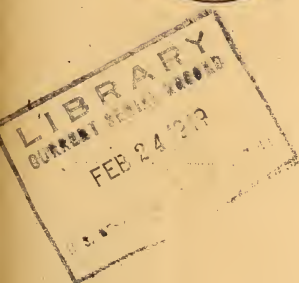
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FOR RELEASE

MONDAY

FEBRUARY 14, 1949

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UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D.C.

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L A T E   N E W S

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About 24,000 bales (20,000 bales of 500 pounds gross) of Pakistan cotton were destroyed by fires in Karachi in January. Stocks of cotton in Pakistan were previously reported as insufficient to meet all local and export demand during the current season. All of the cotton had been sold for export and was part of a total stock estimated at 250,000 Pakistan bales (208,000 equivalent bales) stored in Karachi awaiting shipment abroad.

Slow export movement of Pakistan cotton is attributed to the fact that export licenses for about 75 percent of this year's export quota have been issued to firms and individuals not previously engaged in the cotton export business. Many of them are reported to have no cotton in their possession and importers in India find it difficult to obtain import licenses for cotton purchased from Muslim merchants in Pakistan.

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C O R R E C T I O N

The cotton export figures for Brazil on page 104 of Foreign Crops and Markets of February 7, 1949 were incomplete. The total number of bales should have read "575,000" (not 380,000).

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An Indian trade mission to East Africa is reported to have purchased over 200,000 bales (of 400 pounds) of cotton for a total cost or about 150 million rupees of about 55 cents per pound. This purchase apparently was made under the terms of an agreement concluded on December 29, 1948 by the Governments of India, the United Kingdom and East Africa (see Foreign Crops and Markets, January 17, page 30).

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Erection of the first government-owned cotton textile mill in Burma was begun on January 13, 1949 with 20,000 spindles and other equipment that recently arrived from the United States. Yarn production capacity is estimated at 9,000 pounds daily. A Burmese delegation is in Japan negotiating for purchase of looms for the weaving section of the mill.

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The tax on cotton consumed in Mexico was reduced by a decree effective January 1, 1949, from 10 to 5 pesos per Spanish quintal (1.43 cents to .72 cent per pound). The tax (paid by cotton mills and other industrial consumers) was first imposed on July 10, 1944 to provide funds to cover the costs of handling storing and selling of cotton purchased by the Government under its price support program.

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WORLD LENTIL PRODUCTION UP 22 PERCENT 1/

Lentil production in 18 of the more important producing countries is estimated at 6.4 million bags in the 1948-49 season. This is 15 percent more than in 1947, 30 percent more than in 1946 and 22 percent more than the 5.2 million bags produced in the prewar period 1935-39.

The world's lentil production is confined mostly to 2 general areas--countries immediately surrounding or near the Mediterranean Sea, where 80 percent of the world's supply is produced, and in South America where Argentina and Chile grow appreciable quantities. Some lentils are also produced in Mexico.

Production in 1948 on the European side of the Mediterranean was 8 percent below the prewar average. It was 8 percent above prewar on the southern or African side, and 60 percent above prewar in the eastern or Asiatic end of the Mediterranean. Countries at the Asiatic end (Syria, Turkey, Lebanon and Iraq) accounted for almost 40 percent of the total world crop in 1948. Having 40 percent of the world's total crop in 1948 and an increase of production in 1948 of 60 percent above prewar, the Asiatic countries accounted for most of the 22 percent increase shown for the world. In the 3 Latin American countries less than 20 percent of the world's total crop was produced in 1948, but the crop was 28 percent above the prewar average.

Normally a substantial portion of the crop in Argentina and Chile is exported, much of it to Spain and France, which are also producers. Thus the Mediterranean countries are by far the world's largest consumers of lentils, as well as the principal producers. The major countries reporting production of lentils in the order of their importance in 1948 are Syria, Egypt, Turkey, Argentina, Chile, Spain, France, Italy, Algeria, Greece and Iraq.

The acreage used for lentil production has increased, on the whole, more than production. This is generally true only in the Mediterranean area. For the total 18 reporting countries acreage in 1948 was up 28 percent from prewar. But for the Mediterranean area, only, the 1948 acreage was up 34 percent; in the eastern or Asiatic countries it was up 63 percent; on the European side it was up 21 percent and in Africa it was up 20 percent. In the 3 American countries it was up only 6 percent. While acreage was up 34 percent in the Mediterranean area in 1948 production rose only 20 percent. Therefore the lentil crop was below normal for the acreage involved. Yields per acre were below average.

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1/ For haricot beans see Foreign Crops and Markets - December 20, 1948  
For dry edible peas see Foreign Crops and Markets - January 1, 1949  
For garbanzo beans see Foreign Crops and Markets - February 7, 1949

LENTILS: Acreage, yield and production in specified countries, prewar average and annual 1946-1948 1/

Continent and country	Acreage			Yield per acre 2/			Production (100 round bags)		
	Average 1935-39	1946	1947	Average 1935-39	1946	1947	Average 1935-39	1946	1947
<b>NORTH AMERICA:</b>									
Mexico.....	5:	7:	7:	419:	479:	473:	500:	35:	35:
Argentina.....	34:	79:	87:	779:	781:	770:	265:	617:	670:
Chile.....	111:	62:	70:	527:	649:	649:	585:	449:	435:
Total.....	150:	148:	104:	159:	701:	701:	701:	1,101:	1,159:
<b>EUROPE:</b>									
Bulgaria.....	13:	27:	19:	1,085:	359:	359:	441:	97:	75:
Czechoslovakia.....	10:	3:	2:	460:	474:	474:	45:	12:	11:
France.....	24:	33:	44:	85:	597:	602:	207:	197:	265:
Greece.....	29:	30:	30:	948:	590:	573:	116:	117:	112:
Hungary.....	29:	4:	9:	548:	522:	567:	159:	22:	67:
Italy.....	54:	57:	61:	531:	391:	420:	437:	287:	256:
Rumania.....	42:	16:	4:	598:	131:	334:	269:	21:	49:
Spain.....	55:	93:	124:	516:	583:	605:	345:	942:	750:
Total.....	256:	263:	293:	709:	468:	524:	1,513:	1,231:	1,535:
<b>ASIA:</b>									
Iraq.....	30:	14:	15:	17:	617:	607:	735:	85:	84:
Lebanon.....	5:	6:	6:	1,000:	271:	271:	761:	50:	44:
Syria.....	69:	105:	122:	1,129:	409:	709:	882:	779:	865:
Turkey.....	76:	102:	109:	661:	610:	562:	753:	502:	613:
Total.....	180:	227:	252:	294:	842:	527:	818:	1,156:	1,606:
<b>AFRICA:</b>									
Algeria.....	5:	21:	39:	445:	567:	259:	629:	19:	101:
Egypt.....	22:	81:	76:	1,477:	1,358:	1,322:	1,424:	1,211:	1,006:
French Morocco.....	34:	27:	27:	24:	500:	415:	379:	135:	112:
Total.....	121:	129:	142:	149:	1,093:	898:	991:	1,322:	1,218:
Total specified countries.....	707:	767:	851:	739:	636:	648:	702:	4,882:	5,518:

1/ Years shown indicate year of harvest in the Northern Hemisphere and of beginning harvest in the Southern Hemisphere. 2/ The yields per acre for countries having a small production were calculated on the basis of unrounded estimates of acreage. 3/ Less than 5-year average used in some instances. 4/ Preliminary.

Office of Foreign Agricultural Relations. Prepared or estimated on the basis of official statistics, reports of United States Foreign Service officers, results of office research, or other information.



## COMMODITY DEVELOPMENTS

GRAINS, GRAIN PRODUCTS AND FEEDS

BRAZIL'S RICE CROP SLIGHTLY  
LARGER; SURPLUS LESS 1/

Brazil's 1949 rice crop is forecast at 110 million bushels (3,220 million pounds milled), according to the American Consulate at Porto Alegre. This is slightly larger than the unofficial estimate of 107 million bushels (3,130 million pounds) a year earlier, and compares with the prewar average of 66 million bushels (1,930 million pounds). The record 1946 production amounted to 136 million bushels (3,980 million pounds), and the 1947 harvest was only slightly less than the record.

BRAZIL: Rice exports by country of destination,  
1947 and 1948  
(In terms of milled)

Continent and country	Exports		Continent and country	Exports	
	1947	1948		1947	1948
	Million pounds	Million pounds		Million pounds	Million pounds
ASIA:			EUROPE, Cont'd.		
Ceylon.....	135	a/ 60	Holland.....	1	8
India.....	75	136	Total.....	123	34
Malayan Union.....	63	56	WESTERN HEMISPHERE:		
Netherlands Indies..	-	43	Br. West Indies...	-	18
China.....	10	-	Venezuela.....	31	9
Lebanon.....	23	-	Bolivia.....	11	-
Palestine.....	-	6	Fr. West Indies...	11	9
Syria.....	9	15	Panama.....	6	-
Transjordan.....	2	-	Curacao.....	2	-
Total.....	317	316	French Guiana....	1	-
EUROPE:			Cuba.....	-	7
Portugal.....	39	-	Uruguay.....	-	1
Belgium.....	31	15	Total.....	62	46
Switzerland.....	26	1	AFRICA:		
Spain.....	7	-	Reunion Islands...	-	15
Lithuania.....	6	-	Fr. West Africa...	35	19
United Kingdom.....	6	-	Un. of So. Africa...	9	14
Czechoslovakia..	4	2	Madagascar.....	-	11
Trieste.....	-	3	Liberia.....	-	1
Italy.....	3	-	Total.....	44	60
Bizone.....	-	5	TOTAL EXPORTS...	546	456

a/ British Empire.

American Consulate, Porto Alegre.

1/ A more extensive statement may be obtained from the Office of Foreign Agricultural Relations.

Export supplies from Brazil's 1949 crop are estimated at from 200 to 300 million pounds. The decrease from the 456 million pounds exported in 1948 is due to lack of carry-over supplies from the preceding year's crop. About 65 percent of 1948 exports were of carry-over stocks from the large 1947 crop. Delivery of the maximum quantity in 1949 depends on the demand from other States for rice from Rio Grande do Sul, Brazil's principal rice-exporting State. Production there is expected to about equal that of last year, but Sao Paulo's crop is up 20 percent.

Rice exports from Brazil in 1948 approximated 456 million pounds against the previous year's record of 546 million pounds. Deliveries nonetheless were more than 5 times as great as prewar (1936-40) average exports. Nearly 70 percent of consignments went to Asia, 13 percent to Africa, 7 percent to Europe, and 10 percent to the Western Hemisphere. The principal countries of destination in the Western Hemisphere were British West Indies, French West Indies, Venezuela, and Cuba.

#### PHILIPPINE RICE PRICES CONTINUE AT HIGH LEVEL

January wholesale prices of Philippine rice were at about the same level quoted a year before. Milled No.1 Macan during the week ended January 22 brought \$10.77 to \$10.93 per 100 pounds, compared with \$10.53 per 100 pounds in the corresponding week of 1948. Imported rice (Mexican) was quoted at \$13.21 per 100 pounds, considerably higher than imported Siam first-class at \$8.57 per 100 pounds a year earlier. New-crop prices were up 40 percent above the corresponding week a year earlier.

PHILIPPINES: Rice prices per 100 pounds, week ended January 22, 1949, with comparisons

DATE	Native, Macan Milled		Imported	Rough rice	
	ex-warehouse, Manila			delivered	
	No. 1	No. 2		Cabanatuan	
	Dollars	Dollars		Dollars	Dollars
Nov. 1947-High.....	9.31	9.11	12.11	5.29	
Nov. 1947-Low.....	8.30	7.90	12.11	4.54	
Jan. 1948-High.....	10.53	10.33 a/	9.11	5.34	
Jan. 1948-Low.....	9.92	8.50 a/	9.11	4.54	
July 1948-High.....	13.36	13.16 b/	8.57	8.57	
July 1948-Low.....	12.76	12.55 b/	8.57	7.81	
Jan. 10-15,1949-High..	11.14	10.93 c/	11.43	6.70	
Jan. 10-15,1949-Low..	10.93	10.73 c/	11.43	6.70	
Jan. 17-22-High.....	10.93	10.73 c/	13.21	6.70	
Jan. 17-22-Low.....	10.77	10.61 c/	13.21	6.70	

a/ Siam first-class. b/ American remilled first-class. c/ Mexican.

Daily Market Report, Bureau of Commerce, Philippine Government.



BRITISH GUIANA PRODUCES  
RECORD RICE CROP

The 1948-49 (October-September) rice production of British Guiana is forecast at a record of 5,300,000 bushels (155 million pounds milled), compared with 4,742,000 bushels (139 million pounds) the year before and the prewar average (1935-36/39-40) production of 3,559,000 bushels (104 million pounds). The transplanting of rice from nursery stocks rather than broadcasting on part of the acreage resulted in a notable increase in the total harvested yield per acre. Export supplies during 1949 are estimated at 54 million pounds, provided the spring crop meets present expectations.

BRITISH GUIANA: Rice production, trade, and apparent disappearance, average 1930-31/39-40, annual 1946-47 to 1948-49 a/

Year	Acreage	Yield per acre	Production		Net exports b/	Apparent disappear- ance b/
			Rough	In terms of milled		
	1,000 acres	B Bushels	1,000 bushels	Million pounds	Million pounds	Million pounds
Average:						
1930-31/34-35:	78	44.2	3,445	101	48	53
1935-36/39-40:	70	50.8	3,559	104	34	70
Annual:						
1946-47	98	50.9	4,993	146	45	101
1947-48	101	47.0	4,742	139 c/	40	99
1948-49 d/	91	58.2	5,300	155 e/	54	101

a/ Rough rice of production and where occurring in trade is converted to terms of milled at 65 percent. b/ During the calendar year. c/ Allocation.

d/ Preliminary and unofficial estimates. e/ Exportable surplus.

Compiled from official statistics, except as noted.

(Continued on Page 122)

FATS AND OILS

ARGENTINE ANIMAL FAT  
EXPORTS ABOVE PREWAR

Argentine animal-fat exports during January-November 1948 amounted to 83,544 short tons, approximately 17,000 tons larger than in the same months of the previous year, and 10,000 tons higher than in the prewar years. The exports of animal fats to the United Kingdom were much higher than for the entire year 1947 and higher also than prewar exports. Other very noticeable increases in exports of cattle-fat were to Canada and Japan.

The following tables show a slackening of exports for November 1948 as a result of a decline in livestock slaughter. Exports also fell off through the failure of the Argentine Trade Promotion Institute to make sales abroad except to the United Kingdom. There remains a substantially large stored reserve of animal fats, part of which was reported to be in only fair condition because of its age and exposure of the wooden tierces to the weather. There probably was a net reduction in inventory as the United Kingdom took about 50,000 short tons under the Andes agreement and also was finally permitted to take delivery against balances held over from earlier purchase arrangements.

ARGENTINA: Tallow and cattle-fat exports,  
November 1948 with comparisons  
(Gross weight)

Country of destination	Average	1947	January-November		November
	1935-39		1947	1948 a/	1948 a/
	Short	Short	Short	Short	Short
	tons	tons	tons	tons	tons
North America:					
Canada.....	7	-	-	6,380	-
Cuba.....	377	15	15	1,984	-
Mexico.....	11	659	656	-	-
Others.....	9,935	799	800	566	-
Total.....	10,330	1,473	1,471	8,930	-
South America.....	1,914	4,807	4,724	4,892	66
Europe:					
Belgium.....	2,974	1,596	1,286	470	-
Finland.....	56	654	12	1,484	436
France.....	937	1,238	1,238	3,886	-
Italy.....	2,082	3,481	3,469	13	-
Netherlands.....	7,875	2,988	2,988	553	-
Spain.....	1,296	8,106	7,891	173	-
Sweden.....	1,695	2,513	2,513	-	-
Switzerland.....	1,133	1,202	1,202	481	-
United Kingdom.....	17,903	19,374	17,486	34,421	1,842
Others.....	16,711	2,144	2,144	1,769	-
Total.....	52,662	43,296	40,229	43,250	2,278
Japan.....	21	-	-	6,890	-
Soviet Union.....	-	4,508	4,508	-	-
Others.....	313	661	661	646	-
Grand total....	65,240	54,745	51,593	64,608	2,344

a/ Preliminary.

Compiled from official sources and consular reports.

ARGENTINA: Lard exports, November 1948 with comparisons  
(Gross weight)

Country of destination	Average:	1947	January-November:November		
	1935-39:		1947 :	1948 a/ :	1948 a/
	Short	Short	Short	Short	Short
	tons	tons	tons	tons	tons
North America:					
Cuba.....	-	-	-	802	-
Netherlands West Indies..	-	583	583	1	-
Others.....	-	141	141	10	-
Total.....	-	724	724	813	-
South America.....	685	3,349	3,270	1,558	-
Europe:					
Finland.....	-	-	-	544	544
Hungary.....	-	2,389	2,389	446	-
Italy.....	127	4,234	4,234	817	-
Poland.....	-	-	-	1,422	1,422
United Kingdom.....	6,673	3,755	3,755	13,139	510
Others.....	919	585	585	170	-
Total.....	7,719	10,963	10,963	16,538	2,476
Others.....	163	157	157	27	-
Grand total.....	8,567	15,193	15,114	18,936	2,476

a/ Preliminary.

Compiled from official sources and consular reports.

The normal output of edible tallow has been about 130,000 tons, of which the large livestock slaughtering concerns have been required for some time to channel 50 percent into the local markets. Possibly an additional 11,000 tons is made available by small slaughterers. As exports fell off, emerging production not reserved for domestic usage was merely stored up to the account of the Institute. Total domestic consumption is estimated to be more than 65,000 tons, which would give a per capita disappearance of about 8.2 pounds.

Since the big decline in hog slaughter 2 years ago, lard production has been much reduced, probably not exceeding 19,000 to 21,000 tons for the country as a whole in 1947. Out of this quantity, processors were required to reserve only 2.5 percent for the local markets at the official fixed price. Argentine consumers do not rely on lard as a shortening to the same extent that it is used in the United States. Probably some additional lard was released locally, but it is doubted that the local domestic retention would have exceeded 1,100 tons, a per capita equivalent for the whole population of only about one-tenth of a pound.

# VEGETABLE OIL AND OILSEED PRODUCTION IN HAITI

Haiti depends upon the domestic production of cottonseed as the main source of edible oil. The 1948-49 cottonseed production is estimated to be 5,840 short tons according to the Agricultural Attache, American Embassy, Port-au-Prince. From past observation, it is expected that recovery of crude oil will be between 740 and 760 tons.

An important factor in the vegetable oil outlook is that in connection with expropriation of land for the coming Exposition of 1950, both of the major cotton crushing plants were ordered dismantled and moved to other sites. One of the oil mills is expected to be ready to crush seed in February, 1949 when the new crop of seed is received. But the largest plant will not be ready by February and may not produce at all in 1949. Should this plant not operate in 1949, there will probably be a shortage of locally produced cottonseed oil in Haiti that can be made up by the production of coconut oil.

## HAITI: Cotton Seed Production

Year	Estimated Production
	<u>Short tons</u>
5-year average:	
1933-34 to	
1937-38.....	12,039
5-year average:	
1938-39 to	
1942-43.....	6,894
1946-47.....	3,090
1947-48.....	6,370
1948-49.....	5,840
<u>American Embassy, Haiti.</u>	

It is estimated that during 1947 some 322 tons of coconut oil were produced in Haiti. Production in 1948 is estimated at 110 tons. The reasons given for this decline are that the quality of oil has not been generally acceptable, the supply available or the rate of delivery by the farmers has decreased, and the farmers have consumed the coconuts since the prices of other foodstuffs have been so high.

The commercial harvest of castor beans in 1948 was estimated to be 3,300 tons. Practically no castor beans are processed locally, and the entire harvest is exported. As castor beans grow wild and need little or no attention, the quantity picked and delivered depends



upon the price offered and the encouragement given farmers to gather and bring the beans to the markets. The weather in the principal castor bean area has been suitable for harvesting and the price has remained favorable.

#### HAITI: Castor Bean Production

Year	Estimated production
	Short tons
4-year average:	
1938-1941.....	1,186
1946.....	2,414
1947.....	3,300
1948.....	3,300

American Embassy, Haiti.

In November of 1948 there were practically no stocks of vegetable oils on hand in Haiti except those in retail stores in process of sale, and the country will be dependent on imports until oil from the new cotton seed is available. On the other hand, there was a considerable surplus of laundry soap in Haiti in the latter part of 1948. Cheap soaps which met Haitian requirements were imported from Europe (largely the United Kingdom). As these brands undersell United States soaps of the same type there has been an accumulation of large stocks of soap. On September 1, 1948 there was a supply of 2,613,660 pounds of soap on hand valued at \$766,818.08, these stocks were moving very slowly.

#### SCOTLAND PRODUCES

##### HERRING OIL

A considerable expansion of the production of herring oil is anticipated in Scotland according to the American Consulate, Edinburgh. Facilities are being developed for the production of edible oil and meal from herring landed in excess of local handling capacity and the normal requirements of the various markets. During the year 1948, 11,200 short tons of herring and 2,900 tons of offal, were used in the production of approximately 992 tons of oil and 2,240 tons of meal.

#### BRAZIL'S 1949 VEGETABLE OIL OUTLOOK FAVORABLE

Brazil's 1949 vegetable oilseed production may equal or slightly exceed the high level reached in 1948, according to a report from the American Embassy, Rio de Janeiro. Anticipated increases are in cottonseed, soybeans and flaxseed.



In Sao Paulo, ~~the~~ most important source of edible oil in Brazil, dry weather during the last months of 1948 adversely affected the early growth of the cotton and peanut crops, particularly in hill-top plantings. However, the drought was relieved by general rains during the second week of January, and there are now good prospects of normal crop yields. According to an official estimate of the cotton crop in Sao Paulo, cottonseed production in that State should be from 120,000 to 130,000 short tons greater than in 1948.

The first official estimate of the Sao Paulo "wet season" peanut crop is 111,880 tons in 1949, compared with 154,919 tons in 1948. The expected decrease results from reduced plantings caused by a fall in the price of peanuts. Peanut prices at planting time in October-November were about 60 percent of the prices ruling a year earlier. Statistics are not yet available for the "dry season" crop, but in view of the continued low prices being paid for peanuts, it is expected that plantings for this crop will also be on a reduced scale. Given average growing conditions, the total Sao Paulo production probably will not exceed 160,000 tons. In Rio Grande do Sul it is reported that prospects are for an output about equal to the 7,000 tons harvested last year. Although the total Brazilian peanut crop is expected to be the second largest ever harvested, it is likely to fall some 50,000 tons short of last year's record harvest.

The upward trend in soybean production in Rio Grande do Sul, which last year was estimated by trade sources at approximately 20,000 tons, is believed to be continuing this year. The area planted is reported to be 25 to 30 percent above that of 1948.

Brazil's output of industrial oils and oilseeds in 1949 is expected to fall short of the level reached in 1948. As a result of low prices for castor beans it is officially estimated that the 1948-49 planted area in Sao Paulo is nearly 50 percent smaller than in 1947-48, and production in the State is forecast at only 45,300 tons compared with last year's estimate of 84,000. In the Northeast, where a large proportion of the crop is harvested from indigenous stands of castor-bean plants, the quantity to be collected in 1949 is likely to depend upon the price being paid during the latter half of the year, when the bulk of the crop will be harvested. Although trade sources in the area generally expect production to equal or exceed the quantity obtained last year, it is considered unlikely that the total for Brazil will reach last year's level. The 1948 crop is unofficially estimated at over 230,000 tons and is believed to constitute an all-time record.

Last year witnessed the peak of the three or four year production cycle which appears to be characteristic of oitica. The quantity of seed collected is unofficially estimated to have reached a new record figure of approximately 66,000 tons. The 1949 crop will probably be less than half as large as the one harvested last year.

Collection of babassu kernels, stimulated by attractive prices throughout the year, is estimated to have reached 77,000 tons in 1948, the highest production since 1945. If present prices continue, collections are expected to attain a high level in 1949.

The 1948-49 flaxseed crop in Rio Grande do Sul may be considerably larger than the 512,000 bushels harvested in the previous season. Favorable prices during planting time (June-September) probably encouraged farmers to expand acreage.

Production of edible oils in 1949 is expected to follow, in general, the trend of production of cottonseed and peanuts. It is expected that the entire cottonseed and peanuts crops (except quantities required for planting) will be crushed in Brazil. A small surplus of peanuts for export may be available, but in view of the crushing capacity in Sao Paulo oil mills, such exports as occur will probably be in the form of oil. The Rio Grande do Sul surplus of soybeans has been exported during the past two years in the form of beans, and such increase as may occur in the crop this year will not necessarily be accompanied by an increase in oil production.

Among the industrial oils, production of linseed oil will also follow the production of flaxseed, as the entire crop is used domestically. Export of oiticica seed is prohibited and production of oiticica oil will therefore be closely correlated with the quantity of seed collected; production of oiticica oil probably will not exceed 8,000 to 9,000 tons this year. Production of castor oil has remained relatively stable during the past several years at between 11,000 and 15,000 tons. This year's outturn is expected to remain within that range. Production of babassu oil reached a new high of 22,000 tons in 1947 and according to local trade sources was approximately the same in 1948. These sources expect babassu oil production in 1949 to continue at the high level of the last two years.

#### LIVESTOCK AND ANIMAL PRODUCTS

##### CATTLE NUMBERS IN DENMARK INCREASE

Cattle numbers in Denmark on December 30, 1948 exceeded the total of the previous December, by 83,000 head, or by more than 3 percent. The cows and heifers over 1 year old totalled about 2 million head, an increase of about 4 percent over a year earlier. The increase in cattle numbers indicated that the Danish farmers are holding out more breeding cattle and that the upward trend in numbers may continue.

Notwithstanding the increase in 1948, total cattle numbers in Denmark are still appreciably below 1945. Numbers were reduced sharply in 1947 when slaughter and exports of cattle were heavy because of the unfavorable food situation occasioned by the summer drought of that year.

Denmark: Cattle numbers 1/ on December 30, 1948,  
with comparisons.

Classification	Dec. 29, 1945	Dec. 28, 1946	Dec. 27, 1947	Dec. 30, 1948
	Thousands	Thousands	Thousands	Thousands
Bulls, over 1 year	49	46	37	38
Bullocks, over 1 year	49	44	34	38
Cows, and heifers that have calved	1,564	1,560	1,410	1,473
Heifers over 1 year	623	596	524	543
Calves under 1 year	809	758	663	659
Total	3,094	3,004	2,668	2,751

1/ Entire country, including parishes and boroughs.

#### BRED SOW NUMBERS AND OTHER CLASSES OF HOGS RISE IN DENMARK

Bred sow numbers in Denmark, according to December 30, 1948 census, increased 120 percent over a year earlier, and the total number of hogs was about 21 percent larger than December of 1947. These were the most substantial increases since the upward swing began about mid 1948.

An improved feed situation and the continuance of high bacon export prices were fundamental factors in encouraging farmers to expand their hog operations. The unusually large increase in bred sow numbers can be expected to materially increase bacon export supplies after the middle of this year. If conditions continue favorable, a substantial recovery in Danish hog numbers can be expected in 1949.

Denmark: Hog numbers 1/ (entire country including parishes and boroughs), December 30, 1948, with comparisons

Date	S O W S		Suckling pigs	Pigs and : slaughter: hogs	Total <u>2/</u>
	Bred	Total			
	Thousands	Thousands	Thousands	Thousands	Thousands
Oct. 11, 1947	91	181	438	1,358	1,985
Nov. 15, 1947	84	154	349	1,347	1,857
Dec. 27, 1947	80	142	275	1,181	1,604
Oct. 9, 1948	143	221	447	1,129	1,807
Nov. 20, 1948	165	234	362	1,298	1,903
Dec. 30, 1948	176	249	410	1,276	1,944

1/ Periodic Danish hog censuses beginning February 8, 1947, represent returns for the whole country, including parishes and boroughs. 2/ Includes boars.

COTTON AND OTHER FIBER

## COTTON-PRICE QUOTATIONS

## ON FOREIGN MARKETS

The following table shows certain cotton-price quotations on foreign markets converted at current rates of exchange:

COTTON: Spot prices in certain foreign markets, and the  
U.S. gulf-port average

Market location, kind, and quality	Date 1949	Unit of weight	Unit of currency	Price in foreign currency	Equivalent U.S. cents per pound
<u>Alexandria</u>		Kantar			
Ashmouni, Good.....	2-10	99.05 lbs.	Tallari	51.85	43.26
Ashmouni, F.G.F.....	"	"	"	49.85	41.59
Karnak, Good.....	"	"	"	85.60	71.42
Karnak, F.G.F.....	"	"	"	82.35	68.71
<u>Bombay</u>		Candy			
Jarila, Fine.....	"	784 lbs.	Rupee	620.00	23.86
Broach, Fine.....	"	"	"	650.00	25.01
Kampala, East African..	"	"	"	(not available)	
<u>Karachi</u>		Maund			
4F Punjab, S.G., Fine..	2-9	82.28 lbs.	"	a/ 88.00	32.27
289F Sind, S.G., Fine..	"	"	"	a/ 95.50	35.01
289F Punjab, S.G., Fine.	"	"	"	a/ 101.00	37.03
<u>Buenos Aires</u>		Metric ton			
Type B.....	2-10	2204.6 lbs.	Peso	b/c/ 3350.00	45.24
<u>Lima</u>		Sp. quintal			
Tanguis, Type 5.....	2-8	101.4 lbs.	Sol	(not quoted)	
Pima, Type 1.....	"	"	"	(not quoted)	
<u>Recife</u>		Arroba			
Mata, Type 4.....	2-10	33.07 lbs.	Cruzeiro	215.00	35.37
Sertao, Type 5.....	"	"	"	225.00	37.02
<u>Sao Paulo</u>					
Sao Paulo, Type.....	"	"	"	216.00	35.54
<u>Torreón</u>		Sp. quintal			
Middling, 15/16".....	"	101.4 lbs.	Peso	182.00	26.04
<u>Houston-Galveston-New</u>					
Orleans av. Mid. 15/16"	"	Pound	Cent	XXXXX	32.05

Quotations of foreign markets reported by cable. U.S. quotations from designated spot markets.

- a/ Prices January 5 at Karachi, 4F Punjab, 77.00 rupees (28.23 cents); 289F Sind, 89.00 rupees (32.63 cents); 289F Punjab, 98.00 rupees (35.93 cents). Prices January 12 at Karachi, 4F Punjab, 75.50 rupees (27.68 cents); 289F Sind, 88.50 rupees (32.45 cents); 289F Punjab, 96.00 rupees (35.20 cents). Prices January 19 at Karachi, 4F Punjab, 77.50 rupees (28.42 cents); 289F Sind, 88.50 rupees (32.45 cents); 289F Punjab, 98.00 rupees (35.93 cents).
- b/ Nominal.
- c/ Price omitted from last week's table: Buenos Aires, Type B, 3350.00 pesos nominal (45.24 cents).



## ITALIAN COTTON MILL CONSUMPTION RISING

Activity in Italian cotton mills has been increasing during the past few months according to a report by Joseph E. Wiedenmayer, Economic Attache, American Embassy, Rome. Based on unofficial reports of yarn production, cotton consumption in November of 1948 was estimated at 80,000 bales (500 pounds gross) as compared to an average of 73,000 bales per month in calendar years 1947 and 1948.

Cotton consumption has been estimated at 875,000 bales for the 1947-48 season and is expected to be near 900,000 bales in 1948-49. Insufficient demand for cotton textiles has been the chief limiting factor to cotton consumption. Recently, however, signs of business recovery over all Italy have been increasing. Department store sales have increased, rail traffic is picking up and an improvement was reported in cash reserves of firms and in credits in general. Textile prices have held steady, indicating a good domestic demand.

The anti-inflationary measures, including credit and inventory restrictions and the program for sound foreign exchange controls, taken in the latter part of 1947, are now having a favorable effect.

Export demand has increased. New trade agreements with foreign countries and the resumption of exports to the sterling area are responsible for much of the increase. Exports of 57 million pounds of yarn during the first 10 months of 1948 were double those for the same period in 1947. Fabric exports increased by a smaller margin but toward the close of 1948 there were indications that yarn and fabric exports would increase still further.....

Imports of raw cotton in the past 18 months have been less than consumption resulting in a gradual reduction in stocks. On January 1, 1949, cotton stocks in Italy were estimated at about 200,000 bales or two and one-half months' supply as compared to 573,000 bales August 1, 1947. Minimum working stocks are considered at about 3 months' supply, however, the Italians have stated that for most efficient operation 4 months' reserve supply should be maintained.

Arrivals of cotton in Italian ports showed a marked increase in October, November, and December. During December, arrivals exceeded consumption and with considerable quantities reported afloat or ready for shipment in December it is believed the spinners needs will be fairly well covered.

In 1947-48 the United States supplied less than 20 percent of the Italian imports of raw cotton. However, the United States share in the Italian market has been steadily increasing and in the last quarter of 1948 United States cotton made up 80 percent of the Italian cotton imports.



According to a recent study prepared by the Ministry of Industry and Commerce, one of the chief problems of the cotton textile industry is the need for modernization of its plants in order to increase production efficiency. This would improve the Italian industry's competitive position in world markets.

The number of cotton spindles installed and in operation on June 30, 1948, was about equal to those reported in 1938. However, because of the decline in the use of rayon staple fiber in cotton mills, cotton consumption is about 30 percent above 1938 as shown in the following table:

	: Installed spindles :	: Operating spindles :	: Consumption :
	: (as of June 30) :		: (000 bales)
1938-39	: 5,473,545 : ..	: 4,841,053 :	: 670
1945-46	: 5,270,024 : ..	: 5,153,245 :	: 355
1946-47	: 5,264,939 : ..	: 4,927,308 :	: 860
1947-48	: 5,347,316 : ..	: 4,859,917 :	: 875

According to data prepared on Italy's "Four-Year Plan," it was estimated that cotton consumption may reach 965,000 bales in 1952-53. This would be near the record consumption of 1928 and 1929 when about 1 million bales annually were used.

Cotton yarn production was reported at 377 million pounds in 1947 and is estimated at 384 million pounds in 1948, as compared with 392 million pounds in 1938.

#### SPAIN DISCOURAGES IMPORTS OF FOREIGN FIBER COMMODITIES

The Spanish Government published on January 5, 1949, the fifth of a series of lists of special exchange rates, these lists apply to a fairly complete schedule of commodities and are designed to discourage in general the importation of foreign commodities and encourage exportation of domestic products. The rates in the fifth list which applies to specified import commodities range from 13.14 to 27.375 pesetas to the dollar, compared with the former official rate of 11.22 pesetas to the dollar.

The following fibers and related products were included with rates applicable as listed:

<u>Commodity</u>	<u>Exchange rate</u> (Pesetas to the dollar)
Abaca.....	15.33
Sisal.....	15.33
Jute.....	15.33
Cotton.....	15.33
Flax.....	17.52
Nylon yarn.....	17.52
Rayon cellulose.....	17.52
Raffia.....	19.71

#### CHINESE COASTAL MILLS CURTAIL OPERATIONS

Reports received from China indicate that cotton mills in the Shanghai area have curtailed operations with some mills closing down entirely, due to shortages of raw cotton and power.

Shanghai and Tsingtao, which depend on Shanghai for cotton supplies, have about 73 percent of the total installed spindles in China. Another 9 percent of the spindles are in Hankow, Chungking, and south China. The remaining 18 percent are in Tientsin and other parts of north China not under Central Government control. These mills have access to domestic cotton and have very little effect on Chinese import requirements.

Arrivals of foreign cotton at Shanghai were reported to have dwindled to 6,000 bales in January 1949. Due to the civil war only negligible quantities of Chinese cotton have been reaching the coastal mills. Stocks of cotton in the Shanghai area are now believed to be less than 200,000 bales, with little prospect of receiving any significant additional supplies in the near future. According to the best estimates available, cotton consumption in the Shanghai area apparently has been reduced to around 50,000 bales per month as compared to 110,000 bales per month in the spring of 1948. Only the allocations of United States aid cotton have prevented the closing of most of the mills. However, only 120,000 bales of aid cotton remain in stock to be allocated to the mills.

## COTTON CONSUMPTION IN SOUTH AFRICA EXPANDING

Cotton consumption requirements in the Union of South Africa have expanded rapidly in the past few years and are expected to continue to expand for some time to come as new mills are built, according to a report by Joseph L. Dougherty, Agricultural Attache, American Legation, Pretoria, Union of South Africa.

The Barberton Cotton Cooperative Ltd. estimates cotton consumption requirements in 1949 will reach 50,000 bales; in 1950, 75,000 bales; and by 1951, 100,000 bales. These estimates represent a sharp increase over the 14,000 bales reported consumed during the 1947-48 season and are based on prospective consumption by 3 relatively large new mills that were expected to be in operation after the middle of 1948. The spinning and weaving of cotton in the Union of South Africa was begun during World War II with only one mill in full operation prior to 1948. If these forecasts are realized, 90 percent or more of these quantities must be obtained by importation.

Preliminary estimates indicate a cotton crop in the 1948-49 season of 5,000 bales. This compares with 2,500 bales produced in 1947-48 and 890 bales in 1946-47. Some sources connected with the industry do not expect cotton production to rise above 10,000 bales as long as prices remain at or below the present level although the 1925-26 crop was over 16,000 bales. In any case it appears that South Africa will depend on imports of raw cotton to fill part of their consumption requirements.

In the first half of 1947 the Union of South Africa imported 11,000 bales of cotton as compared with 18,000 bales in the calendar year 1946. Most of the cotton in this period was received from other African areas, India, and Brazil, with very little from the United States. Recently, however, the Union of South Africa has been increasing their imports of American cotton. In the 1947-48 season the United States exported 3,300 bales to the Union of South Africa and about 600 bales were exported from August through November of 1948.

## GRAINS, GRAIN PRODUCTS AND FEEDS (Continued from Page 110)

### AUSTRALIAN WHEAT CROP WELL ABOVE AVERAGE

The Australian wheat crop is now estimated at about 200 million bushels, according to the latest report from the American Consulate at Sydney. This is slightly above earlier forecasts, reflecting favorable conditions during the latter part of the growing season and at harvesttime. The harvest commenced earlier than usual in the eastern States and progressed rapidly. A large part of the crop was harvested by the end of December in the eastern wheat areas and in South Australia. In Western Australia, however, wet weather in November caused some delay in harvesting operations.

AUSTRALIA: Wheat acreage and production,  
1948-49 with comparisons

State	: Average :			
	1934-35	1946-47	1947-48	1948-49 a/
	to			
	1938-39			
	1,000	1,000	1,000	1,000
	acres	acres	acres	acres
<u>Acreage</u>				
New South Wales.....	4,168:	4,475:	5,043:	4,278
Victoria .....	2,522:	3,501:	3,227:	3,100
Queensland .....	312:	248:	462:	575
South Australia .....	3,096:	2,519:	2,375:	2,095
Western Australia .....	2,864:	2,426:	2,760:	2,935
Tasmania .....	16:	8:	8:	8
Australian Capital Territory:	2:	3:	5:	5
Total .....	12,980:	13,180:	13,880:	13,000
	1,000	1,000	1,000	1,000
	bushels	bushels	bushels	bushels
<u>Production</u>				
New South Wales .....	53,634:	15,682:	95,227:	73,000
Victoria .....	34,505:	48,971:	46,962:b/	47,000
Queensland .....	4,223:	705:	10,685:	13,000
South Australia .....	32,578:	27,906:	32,494:c/	27,000
Western Australia .....	28,984:	23,800:	34,500:	37,600
Tasmania .....	359:	139:	118:	120
Australian Capital Territory:	42:	59:	100:	100
Total .....	154,325:	117,262:	220,086:	197,800

a/ Tentative estimates, subject to revision. b/ Estimates range from 45 to 49 million bushels. c/ Estimates range from 24 to 29 million bushels.

From official and unofficial sources.

The current estimate of 200 million bushels, though 45 million bushels above the prewar (1934-38) average production, would be 20 million bushels less than the record crop last year. Acreage for the current crop was about at the prewar level, but 6 percent less than the 1947 average. Acreage yields are indicated at 15.4 bushels per acre, compared with last year's near-record yields of 15.8 bushels and the prewar average of 11.8 bushels. The grain is reported to be of high quality, generally, with the growing crop having been unusually free of disease.

Assuming that Australia's domestic use of wheat for the present season will be about the same as in 1948, the export surplus from the crop would be at least 120 million bushels, or only moderately less than the total exported from the record 1947-48 harvest. Present commitments are reported at 20 million bushels for India and 5 million for New Zealand. The United Kingdom is expected to request 75 million bushels.



Growers are to receive a first advance of 88 cents per bushel, less freight, for bagged wheat delivered from this year's crop. The advance for bulk wheat, on the same basis, is 80 cents per bushel. Further advances will be made to growers as marketings warrant.

The Commonwealth's modified wheat stabilization program was approved in time to cover marketings of the current harvest. This legislation provided for establishment of a Wheat Board consisting of 12 members, the Board to control domestic and export marketings. The Board has been operating since December 17, 1948.

Under the new stabilization act guaranteed prices may be revised each season, in line with production costs, with the 1947-48 figure of \$1.00 per bushel as the basing point. The guaranteed price for this marketing season has been recommended at \$1.07 per bushel bulk basis, f.o.r. ports. Beginning with December 1 the Board's selling price for wheat for domestic consumption was also increased to that figure (\$1.07 bulk, f.o.r. ports) from the 1948 price of \$1.00 for domestic use.

#### U. K. AND CANADA

##### AGREE ON WHEAT PRICE

The price to be paid Canada for wheat shipped to the United Kingdom during 1949-50, the final year of the 4-year contract, has been set at \$2.00 per bushel. The price agreed on in late January provides that discussions between representatives of the two Governments shall be held not later than July 31, 1950 to settle any obligation the United Kingdom may have under the clause of the agreement that covers the negotiation of prices for the last 2 years of the agreement. That clause states that prices determined for the last 2 years of the contract shall have regard to any difference between the prices paid under the agreement and the world prices for wheat during the first 2 years of the contract.

#### TOBACCO

##### U.K. CURTAILS IMPORTS OF LEAF TOBACCO AND INCREASES EXPORTS OF TOBACCO PRODUCTS

United Kingdom imports of leaf tobacco have declined, but exports of tobacco products have increased over prowar. In 1948 leaf imports had declined to about 81 percent of 1938, while exports of products had increased to about 112 percent of 1938. The decline in leaf imports is accounted for by decreased purchases from the United States. Imports from the United States in 1948 were about 33 percent below 1938 imports, while imports from all other countries were 17 percent above 1938.

Imports of unmanufactured tobacco into the United Kingdom during 1948 totaled 236 million pounds of unstripped and 44 million pounds of stripped, compared with 238 million pounds of unstripped and 58 million pounds of stripped tobacco in 1947. In 1938, imports totaled 265 million pounds of unstripped and 80 million pounds of stripped tobacco.



The United States supplied 72 percent of British imports of unstripped leaf tobacco in 1948, compared with 75 percent in 1947 and 81 percent in 1938. In 1948 British imports of stripped tobacco from the United States amounted to 10 percent of the total, compared with 38 percent in 1947 and 52 percent in 1938.

UNITED KINGDOM: Imports of unmanufactured tobacco for selected years  
(1,000 pounds)

Country of Origin	Stripped:			Unstripped		
	1938	1947	1948	1938	1947	1948
Souther Rhodesia	2,201	7,472	13,350	16,669	15,498	30,548
Nyasaland	4,464	5,663	6,564	8,914	6,245	7,519
India and Pakistan	30,376	22,079	20,906	2,176	863	1,870
Canada	588	433	475	15,505	21,791	12,203
Other British Countries:	334	284	220	1,595	1,772	3,654
United States	41,780	22,135	2,646	214,935	179,100	169,516
Other Foreign countries	161	51	22	5,160	12,235	11,091
Total	79,904	58,117	44,183	264,954	237,504	236,401

Source: Trade and Navigation of the United Kingdom, December 1948.

While United Kingdom imports from the United States have declined imports from Southern Rhodesia and several other countries have increased rapidly in recent years. In 1948, Southern Rhodesia supplied 31 million pounds or 13 percent of unstripped tobacco and 13 million pounds or 30 percent of stripped tobacco imported into the United Kingdom, compared with 15 million pounds or 7 percent of unstripped tobacco and 7.4 million pounds or 13 percent of stripped tobacco in 1947. In 1938 Southern Rhodesia supplied 16 million pounds or 6 percent of unstripped and 2.2 million pounds or 3 percent of stripped tobacco.

Exports of British tobacco products amounted to about 45 million pounds in 1948, compared with 52 million pounds in 1947 and 40 million pounds in 1938. The 1948 exports were destined principally to Empire countries, Germany, Belgian Congo, Egypt and Aden, Exports to Australia showed the greatest gain over 1947.

Although in 1948 total tobacco exports declined from 1946 and 1947 levels, they were still somewhat larger than in 1938. Compared with the prewar year 1938 exports of cigarettes have increased from 26.5 million pounds to 42.6 million pounds, but exports of other tobacco products have declined from 14 million pounds to only 2.7 million pounds.

UNITED KINGDOM: Exports of tobacco  
products for selected years  
(1,000 pounds)

Country of Destination	1938	1947	1948
British West Africa.....	1,534	3,223	2,006
Union of South Africa....	216	494	336
British East Africa.....	1,288	500	234
India and Pakistan.....	1,368	1,527	693
British Malaya.....	12,316	16,768	16,359
New Zealand.....	1,585	2,378	228
Australia.....	70	1,472	5,049
Hong Kong.....	569	3,499	3,285
Germany.....	2,659	5,460	2,362
Belgium.....	1,506	1,658	425
Belgian Congo.....	82	1,059	1,955
Egypt.....	384	1,756	1,374
Aden.....	504	1,342	1,043
Other Countries.....	16,381	10,642	9,910
Total.....	40,462	51,778	45,259

Source: Trade and Navigation of the United Kingdom, December 1948.

WORLD LENTIL PRODUCTION--(Continued from Page 106)

In the European portion of the Mediterranean the 1948 yields were 141 pounds below the prewar average. In Asia they were 24 pounds below, and in Africa 96 pounds below, but in America they were 123 pounds above. Given the same acreage another year in the Mediterranean and assuming the increased acreage to be equally as productive as the old acreage, and also assuming normal weather and production conditions the lentil crop should be somewhat larger than in 1948.

The reverse of this situation could be expected in the producing area of the Western Hemisphere, assuming normal weather and no substantial change in acreage. In the American countries the 1948 yield per acre was considerably above normal. But, since the lentil crop in these countries constitutes a comparatively minor proportion of the world's total, any decline of yields to normal on substantially the 1948 acreage would be more than offset by any increase to normal yields in the Mediterranean. In fact, prewar average yields on the 1948 acreage in the American countries would produce a crop of 196,000 bags less than the 1948 crop and the prewar average yield on the 1948 acreage in the Mediterranean area would produce a crop of 600,000 bags larger than in 1948.

It is significant that the 1948 production of lentils in Europe was below prewar by 8 percent. Other pulse crops (See footnote page 106) were also below prewar in Europe, as reported in previous issues of Foreign Crops and Markets.

